

DoD Rapid Acquisition Incentive – Net Centricity (RAI-NC)



<Place Pilot Org Logo Here>

OPPORTUNITY ANALYSIS GUIDE

Version 2

May 19, 2003
DoD CIO Executive Agent
DON eBusiness Operations Office
Mechanicsburg, PA

[http:// www.dod.mil/c3i/](http://www.dod.mil/c3i/)

RECORD OF CHANGES

The following serves as a history of the change activity affecting this document:

Change Number	Date	Number Of Figure, Table Or Paragraph	A* M D	Title Or Brief Description
Rev 0				First draft
Rev 1	5/16/03	Various	M	Added more content to guide
Rev 2	5/19/03	Various	M	Incorporated DoD CIO Office changes

A - Added **M** - Modified **D** - Deleted



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DOCUMENT ACCEPTANCE

At the conclusion of each RAI-NC pilot, an Opportunity Analysis will be developed by the organization funded by the DoD CIO to execute the project, with assistance from the Executive Agent (EA). Much of this information can be extracted from documents already created during the planning and execution phases of the RAI-NC pilot process. One of the purposes for this document is to facilitate generation of a business case (OMB Exhibit 300) for successful pilots in order to expedite "operationalization" of the concept throughout DoD. Once prepared, the document will be reviewed and approved by the following individuals before publication. Additional approvals may be required on a case-by-case basis.

PREPARED BY: _____ DATE: ____/____/____
<Pilot Organization PM Name>, <Code>

PREPARED BY: _____ DATE: ____/____/____
<DoD Executive Agent PM Name>, <Code>

ACCEPTED: _____ DATE: ____/____/____
<Pilot Organization Executive Name>, <Code>

ACCEPTED: _____ DATE: ____/____/____
<DoD Executive Agent Senior Manager Name, Code>

ACCEPTED: _____ DATE: ____/____/____
<DoD CIO or Designee Name, Code>

RECORD OF CHANGES

The following serves as a history of the change activity affecting this document: This history should be updated as revisions are incorporated into the document.

Change Number	Date	Number Of Figure, Table Or Paragraph	A* M D	Title Or Brief Description
Rev 0				
Rev 1				

A - Added **M** - Modified **D** - Deleted



1. Executive Summary

This report documents the results of an Opportunity Analysis (OA) performed on the <Pilot Project Name> pilot project by the <Pilot Organization Name>. The executive summary should take up only one page of the document. Use active voice. Paragraphs should be short and concise summaries of problem, solution, and outcome. The summary should also illustrate the strategic, technical, and operational value the pilot addresses, described in terms that a non-technical reader will understand. The sub-title section headings are optional. Section 1 summarizes the content found throughout the remainder of the OA document.

1.1 The Impetus for Change

In one paragraph, describe the need that the pilot is addressing. Explain the current situation/environment.

1.2 The Target Problem

In one paragraph, describe the business problem that this pilot is addressing.

1.3 The Proposed Solution

In one or two paragraphs describe the solution the pilot project will provide to the satisfy problem. Describe how pilot meets the current need.

1.4 The Value of the Solution

Provide one paragraph or a list of bullets describing the value of the solution in terms of strategic value (e.g. readiness, effectiveness, responsiveness), technical value (e.g. availability, flexibility, scalability), and operational value (e.g. ease of use, decreased training time, improved service). This section should also present a summary of the return on investment (ROI) for solution.

Description	FY01	FY02	FY03	FY04	FY05
Annual Gross Productivity Savings Using xxx	\$24,624	\$84,630	\$84,630	\$84,630	\$84,630
Cumulative Gross Productivity Savings Using xxx	\$24,624	\$109,254	\$193,884	\$278,514	\$363,144
Cumulative System Costs	\$20,000	\$30,000	\$30,000	\$145,000	\$160,000
					\$203,144
	.25 to 1	.95 to 1	1.5 to 1	1.9 to 1	2.3 to 1

Figure 1: Five-Year Cost/Benefit Summary

1.5 Future Vision for <Pilot Name>

In one paragraph, describe the future state or potential for further pilot implementation. You may also summarize the major steps required and issues that must be resolved to facilitate future exploitation of the pilot.

2. Project Description and Background



Provide a brief, two or three sentence, introduction describing the pilot's background, including the business problem, current system, and any related past initiatives.

2.1 Business Problem Satisfied by the Pilot

Describe the business problem the pilot addresses, including:

- The impetus for change – business and/or technical problem solved by pilot
- Any elements of the problem that the pilot does NOT address

2.2 Current System or Process

Describe the current process or system in place, including:

- The current “as-is state” and why this state is a problem
- Provide a diagram and explanation of current process or system

Figure 2: Current Business Process

2.3 Functional Description of the Pilot System

Describe the current proposed pilot project. Concentrate on the business and functional elements of the pilot in this section. The technical aspects should be covered in section 2.4. Describe:

- The proposed or future state (“to-be”) process or system
- The transitional process between “as-is” and “to-be”, including any business process reengineering performed and how the pilot technology changed the business process
- A functional overview of pilot system
- Any change management issues (What were the critical success factors for this pilot, were there any training or technology adoption issues, any issues in the roll-out of technology).
- A description of the business or functional value

Figure 3: <Pilot Name> Process

2.4 Technical Architecture of the Pilot System

Describe the technical architecture of the pilot in non-technical terms, including the high-level technical and architectural goals for the project. Be sure to keep the content provided in this section at a summary level. Detailed technical specifications, interface descriptions, and requirements should be broken out as an appendix. Some of these details will also be documented in the appendix containing OMB Circular A-11, Part 7, Exhibit 300. Describe any technical modifications resulting from the pilot. Discuss the technical value of the architecture. Use “-ilities” to illustrate the technical advantages and disadvantages of the new architecture, such as availability, reliability, flexibility, scalability, functionality, interoperability, and accessibility. Document any benefits related to improved system performance, simplicity, or standardization. Include:



- A technical overview of pilot system and its interfaces (provide a diagram if possible)
- Any architecture decisions, trade offs, advantages and disadvantages, as well as technical touch points and interfaces with other systems
- An explanation of why/how technical solutions were chosen and the process for selection
- An explanation of technical solutions NOT chosen (if appropriate)

3. Project Goals, Objectives and Metrics

This section presents a summary of the pilot's objectives and the metrics employed to gauge success.

3.1 Project Goals and Objectives

Describe the goals and objectives that were established for the pilot. Much of this information may be extracted from the Project Charter document that was developed during the planning stage.

3.2 Pilot Metrics

Discuss the set of performance measures that were established to assess the level of pilot success. Include a description of the metrics selected, why they were chosen, how they were collected, and the target level indicative of success.

3.2.1 Metric 1

3.2.2 Metric x

3.3 Alignment of Pilot and Enterprise Goals

The **Figure 4** alignment table is designed to summarize how the enhanced capabilities offered by the pilot system directly contribute to the satisfaction of enterprise goals and objectives. Describe how the project aligns with organizational mission and improves net centric capability. How does this pilot support the enterprise/organizational mission? How do pilot goals support larger program/agency goals?

Enterprise Goals & Objectives (Critical Success Factors)	Pilot-Enabled Capability	Key Performance Indicators (Metrics)
Reduce processing time and cost required to complete xxx	Electronic workflow and on-line document access	Filer Man-hours / \$\$\$ per Form (GOAL: 50% Reduction)
Reduce effort and cost required to track completion of xxx	Electronic workflow, on-line document access	Review & Tracking Man-hours / \$\$\$ per Form (GOAL: 50% Reduction)
Reduce hard copy document printing, distribution and storage costs	Increase the number of electronic vs. paper form filings	% Forms Filed Electronically (GOAL: 50% of Forms Filed Electronically in First Year)

Figure 4: Goal Alignment Table



4. Analysis of Pilot Results

This section reviews project outcomes and provides an estimate of expected enterprise value.

4.1 Evaluation of Metrics

This section of the Opportunity Analysis presents an assessment of the success, or failure, of the pilot project in attaining its established goals. List the project metrics and describe the results of each. Discuss the meaning behind the results, and the relationship of the metrics to pilot project goals.

4.1.1 <Metric 1 Name>

4.1.2 <Metric x Name>

Include a radar chart similar to **Figure 5** (developed in MS PowerPoint) to summarize the overall results of the pilot, in terms of the recorded metrics. This graphic plots each of the project metrics along an axis with values ranging from a low of “0” to a high of “5”. A value of “0” indicates that the applicable goal was not achieved, while a value of “5” represents a goal that was fully attained. Intermediate scores portray a range of performance between the two extremes, with values of “3” and above generally being indicative of success.

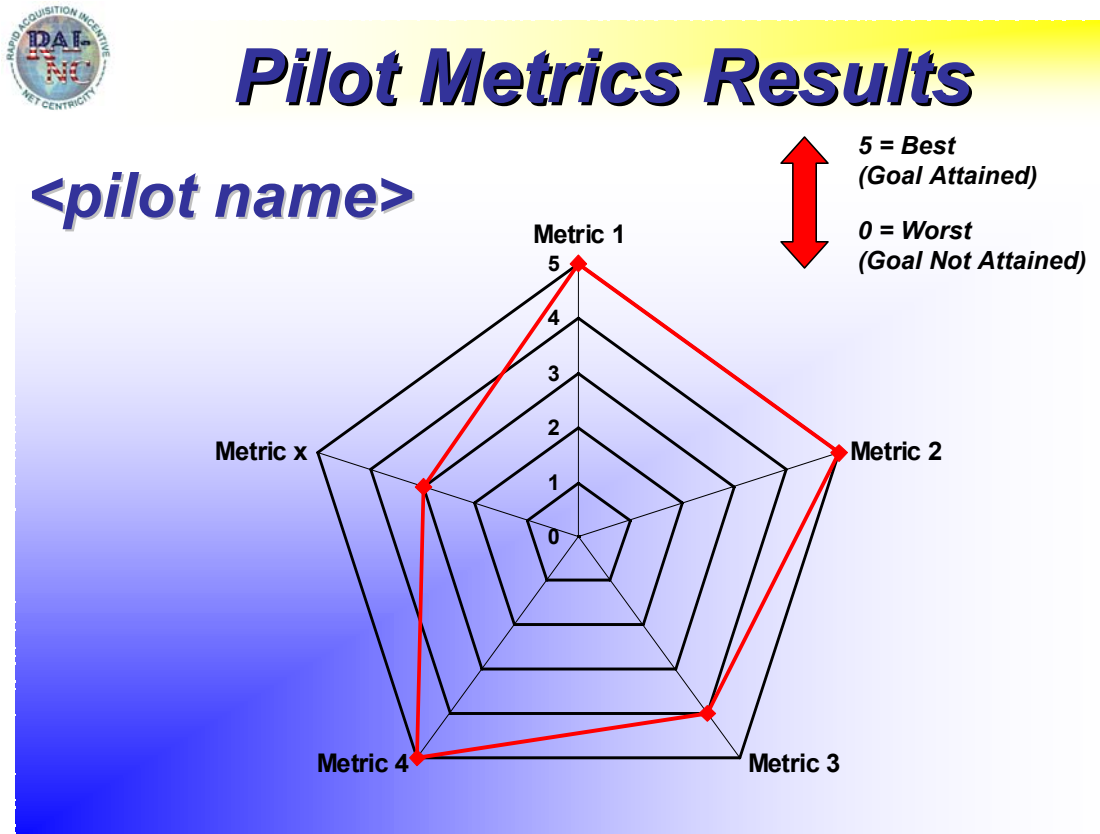


Figure 5: <pilot name> Metrics Radar Summary



4.2 Qualitative Analysis and Intangible Benefits

Provide an analysis of any applicable non-quantitative measures such as strategic value, readiness, etc. Discuss how these qualitative measures are relevant to the future.

4.3 Cost-Benefit Analysis and ROI

Describe the pilot ROI and provide a high-level cost-benefit analysis. Detailed calculations should be broken out and referenced as an appendix. The appendix must follow the format established in OMB Circular A-11 Part 7 (Exhibit 300). In this section, utilize summary tables to the extent possible.

Description	FY01	FY02	FY03	FY04	FY05	TOTAL
Cost of Pilot System						
Hardware	\$0	\$0	\$0	\$0	\$0	\$0
Labor						
Xxx, Inc.	\$51,479					\$51,479
Other Contractor Support	\$9,654					\$9,654
Government (Civilian & Military)	\$38,867					\$38,867
Subtotal Labor	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Software	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal Non-Recurring Costs	\$100,000	\$0	\$0	\$0	\$0	\$100,000
Recurring System Life Cycle Maintenance, Operations & Support (Projected)	\$0	\$15,000	\$15,000	\$15,000	\$15,000	\$60,000
Total Annual Pilot System Costs	\$100,000	\$15,000	\$15,000	\$15,000	\$15,000	\$160,000
Cumulative System Costs	\$100,000	\$115,000	\$130,000	\$145,000	\$160,000	\$160,000

Figure 6: Summary of <Pilot Name> Development & Life Cycle Support Costs

Description	FY01	FY02	FY03	FY04	FY05
Business Operations Costs for xxx Processing					
Current Manual Process					
# xxx per Year	620	620	620	620	620
Average # Man-hours per xxx	3.25	3.25	3.25	3.25	3.25
Total Man-hours Required	2,015	2,015	2,015	2,015	2,015
Average Hourly Pay Rate (Burdened)	\$50	\$50	\$50	\$50	\$50
Total Annual Cost	\$100,750	\$100,750	\$100,750	\$100,750	\$100,750
Average Labor Cost Per xxx	\$163	\$163	\$163	\$163	\$163
Example					
# xxx per Year	620	620	620	620	620
Average # Man-hours per xxx	0.52	0.52	0.52	0.52	0.52
Total Man-hours Required	95	322	322	322	322
Average Hourly Pay Rate (Burdened)	\$50	\$50	\$50	\$50	\$50
Total Annual Cost	\$76,126	\$16,120	\$16,120	\$16,120	\$16,120
Average Labor Cost Per xxx	\$123	\$26	\$26	\$26	\$26
Benefits/Savings					
Annual Gross Productivity Savings Using xxx	\$24,624	\$84,630	\$84,630	\$84,630	\$84,630
Cumulative Gross Productivity Savings Using xxx	\$24,624	\$109,254	\$193,884	\$278,514	\$363,144
Cumulative System Costs	\$100,000	\$115,000	\$130,000	\$145,000	\$160,000
Cumulative Total Net xxx Savings	(\$75,376)	(\$5,746)	\$63,884	\$133,514	\$203,144

Figure 7: Five-Year <Pilot Name> Cost Benefit Analysis



5. Analysis of Risk

Describe any potential issues, risks, and possible mitigation strategies anticipated for future rollout and enterprise implementation of the pilot-enabled business process and/or technical architecture. Some of these details will also be documented in the appendix containing OMB Circular A-11, Part 7, Exhibit 300.

6. Information Assurance and Privacy Strategy

Discuss any required policies, processes, and technologies that must be considered in future integration of the pilot throughout the DoD.

7. Pilot Lessons Learned and Participant Feedback

Detail any lessons learned noted during the course of pilot execution. Did the technology meet the planned “-ilities”? Was the implementation of the process or technology simple or complex? If the pilot was not as successful as anticipated, was there a technology problem, or a business problem? What were un-anticipated complications? What significant issues are worth sharing with others?

8. Future Opportunities and Next Steps

8.1 Future Opportunities

Describe the primary opportunity for future enterprise implementation of this pilot. Discuss why the pilot should be adopted on a larger scale. Identify what precursor steps should be taken to capitalize on opportunity. List any other possible opportunities, or locations for pilot implementation. Describe why they are good opportunities.

8.2 Necessary System Enhancements

Describe any technical modifications, enhancements, or interfaces that would be required prior to moving forward. Include these modifications in the action plan.

8.3 Action Plan

Develop a high-level action plan defining the next steps for the pilot. The action plan should include tasks, deadlines, milestones, and dependencies. Any critical success factors (Actions that must be taken for the pilot or the future of the pilot to be successful) should be highlighted.

#	Issue/Item	Action Lead	Action Date
1			
2			
3			
4			
5			

Figure 8: <pilot name> Action Plan



Appendix A – Include Appendices As Required



Appendix B – Technical Specifications



Appendix C – <Pilot Name> Sample Screenshots



Appendix D – Cost-Benefit Analysis (Exhibit 300)

The cost-benefit analysis should conform to the format and content outlined in OMB Circular A-11 Part 7, Planning, Budgeting, Acquisition, and Management of Capital Assets. This document may be found at:

<http://www.whitehouse.gov/omb/circulars/a11/02toc.html>



Appendix E – Include Appendices As Required

Appendix F – List of Acronyms

[illegible]